



CITY OF HOUSTON

Sylvester Turner

Mayor

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June 18, 2021

The Honorable Al Green
3003 South Loop West, Suite 460
Houston, TX 77054

The Honorable Shelia Jackson-Lee
1919 Smith Street, Suite 1180
Houston, Texas 77002

The Honorable Sylvia Garcia
11811 East Freeway Suite 430
Houston, Texas 77029

The Honorable Lizzie Fletcher
5599 San Felipe Street, Suite 590
Houston, Texas 77056

Dear Members of the Congressional Inquiry,

I greatly appreciated your recent Congressional inquiry regarding the U.S. Department of Housing and Urban Development's (HUD) oversight over the State of Texas General Land Office's (GLO) implementation of its CDBG-DR-Mitigation (CDBG-MIT) funds. The process of an equitable and proportional distribution of the \$4.3 billion in CDBG-MIT funds allocated to the State of Texas after Hurricane Harvey is of critical importance. It is unfortunate the GLO decided not to attend the inquiry and instead sent letters.

After reviewing GLO's two contradictory letters and a press release, the fact remains that GLO is refusing to allocate any of the \$2.1 billion in CDBG-MIT funds under the Hurricane Harvey State Mitigation Competition funding to the City of Houston. No amount of political posturing or rhetoric should obscure this basic fact.

I would like to bring to your attention three areas that warrant further consideration by members of Congress.

First, after substantial criticism by local, state, and federal elected officials, GLO has decided to submit an action plan amendment awarding Harris County a direct allocation of \$750 million.

- Questions remain under what basis, guideline, or criteria did GLO utilize to determine this amount.

I remain concerned that HUD was initially blamed for mandating regulations in the GLO created action plan (which was false) and is now incorrectly blamed for "denying GLO's request" for a direct allocation to Harris County. Is Commissioner Bush aware that he wrote the \$4.3 billion Action Plan for the State of Texas?

HUD correctly responded to the GLO's direct allocation request in stating, "The State, however, may propose a Substantial Amendment to make a subaward to Harris County with a

portion of the State's CDBG-MIT funds and to provide the county with access to those funds through a subrecipient agreement."

As such, the appeal by Harris County Judge Lina Hidalgo and myself to HUD requesting GLO to send their required action plan amendment within 30 days still requires immediate action. No one benefits from a delay in submission. Instead of falsely blaming the Biden Administration, Commissioner Bush should immediately submit the substantial amendment.

Second, in the GLO staff letter and the June 17th press release, there is comingling of funding from CDBG-DR15 with CDBG-MIT. To be clear, GLO's current State Action Plan is comprised of 13 different programs including 2015 Floods, 2016 Floods, Hurricane Harvey State Mitigation Competition, and Regional Mitigation Program.

- The state action plan specifically eliminated the City of Houston from the 2015 Floods competition since the city received approximately \$62 million direct allocation from HUD for disaster recovery from the floods incurred in 2015. Those funds are designated for mitigation projects in specific areas with highest climate risk and where flooding occurred.

Using these funds as justification for the city not receiving any funds from the \$2.1 billion Hurricane Harvey State Mitigation Competition, where the city and county experienced nearly 50% of the statewide damages from Hurricane Harvey, is both disingenuous and defies logic.

Again, Commissioner Bush wrote the State's Action Plan. In his latest press release, he combines dollars awarded to Harris County under the CDBG-DR17 program with dollars denied under his CDBG-MIT program.

- To be clear, Harris County chose to invest \$209 million of CDBG-DR17 funds in mitigation, while Commissioner Bush created the Hurricane Harvey State Mitigation Competition that provided zero dollars to the City of Houston or Harris County in CDBG-MIT funding.

Sending out a press release to brag about infrastructure investments while providing none is hypocrisy.

Lastly, the GLO reference to draw down funding is purposely misleading, implying the lack of success of recovery programs administered by the city.

- First, since the city is a subrecipient of CDBG-DR17 funds, all project guidelines, scopes of works and contracts must be reviewed and approved in advance by GLO.
- Second, the city's CDBG-DR17 housing recovery program referenced by GLO is comprised of nine separate recovery programs: Homeowners Assistance, Single Family Development, Multifamily Development, Small Rental, Homebuyer Assistance, Flood prone Buyout Properties, Public Services, Economic Revitalization and Planning.

- To date \$219,442,354 are under contract and an additional \$356,491,194 have been announced totaling \$575,933,548 or 70% of the \$825,087,843 subrecipient agreement with GLO.

GLO, in their description of the funds drawn down, sites a figure of 3.6%. Being honest with the public on the amounts and pace of spending is a minimum bar of competency that GLO has failed to pass.

It is again disappointing that GLO, rather than be present to address members Congress, decided to obscure the actual reality of funding. While it is consistent with their widely criticized creation of funding formulas, it remains a failure of leadership from an elected official. After seeing the GLO's press release of June 17th in which the allocation to Harris County is substantially increased from the Regional Mitigation Program, Commissioner Bush owes Congress, HUD, and the citizens of Houston an explanation on where this money comes from and why we are still without answers during hurricane season.

As always, our office stands ready to assist and looks forward to working to resolve these issues on behalf of our shared constituents.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sylvester Turner', written over a faint circular stamp.

Sylvester Turner

Mayor

City of Houston